GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:62
ANSWERED ON:24.02.2016
Annual Surcharge on Indian Workers by UK
Hegde Shri Anant Kumar Dattatreya

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the Government of UK proposes to levy an annual surcharge of Â£ 1000 on every Indian skilled professional in Britain;

(b) if so, the facts in this regard;

(c) whether the said move by Britain is likely to have an adverse impact on the employment sector in India; and

(d) if so, the details in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
[GEN. (DR) V. K. SINGH (RETD)]

(a) & (b) The UK Migration Advisory Committee (MAC), in its report released on 19 January 2016, recommended levy of Immigration Skills Charge (ISC) of an amount of Â£ 1000 per year, applicable to all employers recruiting non-EU migrants in the "Skilled Professionals" Tier 2 visa category except those entering through Tier 2 under the categories of Intra Company Transfer − Skill Transfer and Graduate Trainee routes.

(c) & (d) If MAC's recommendations are accepted by the UK Government, it would have an adverse impact on the ease of entry and the competitiveness of Indian IT and ITES companies in the UK including by making the UK visa application process more expensive and difficult. Government of India has been taking up this issue consistently with the Government of UK including at the highest levels, urging the UK to not accept these recommendations in the interest of the robust economic engagement between India and UK and its adverse impact not only on Indian IT companies but also on the UK's own economy and competitiveness.